

Top Story 1

India remains fastest-growing economy at precarious moment for world

India remains the fastest-growing large economy, according to the recent reports. As per the UN's World Economic Situation and Prospects (WESP) mid-year report, the Indian economy is expected to grow by 6.3 per cent this fiscal year, even as the global economy faces a "precarious moment. The growth is driven by strong private consumption and public investment. The report projects India's growth to rise slightly to 6.4 per cent next year. In contrast, global growth is forecast at just 2.4 per cent in 2025, with trade tensions and policy uncertainty weakening the outlook. The report also noted positive trends in inflation and employment. Inflation is expected to ease from 4.9 per cent in 2024 to 4.3 per cent in 2025, remaining within the central bank's target range. While looming US tariffs weigh on merchandise exports, currently exempt sectors -- such as pharmaceuticals, electronics, semiconductors, energy, and copper -- could limit the economic impact, though these exemptions may not be permanent," it said.

<https://www.newsonair.gov.in/india-remains-fastest-growing-economy-at-precarious-moment-for-world-un/>

Top Story 2

India's economic outlook turning more positive

India's economic outlook is turning more positive as the unwarranted monetary tightening of the past is now being reversed, paving the way for recovery. RBI is moving aggressively on three fronts: cutting interest rates, injecting liquidity, and easing regulations. Adding to the momentum, wholesale inflation in April 2025 dropped to a 14-month low of 0.85 percent, while retail inflation also moderated more than expected. "This cooling inflation gives the RBI room to front-load rate cuts. Analysts expect a further 50 basis point reduction, with surplus liquidity maintained in the next two policy rounds, signalling strong support for economic revival. Public concern over the economy is growing, with 66 percent of adults feeling pessimistic and 69 percent expecting a recession within the next year. He noted that many business leaders already believe the US is in a recession. GDP growth was flat in the first quarter, halfway to a technical recession. Globally, trade activity is slowing: shipping traffic is down, ports are quiet, and many China-bound vessels are leaving half-empty during what's typically a busy season.

<https://www.moneycontrol.com/news/business/markets/daily-voice-india-s-economic-outlook-turning-more-positive-further-50-bps-rate-cut-likely-by-rbi-this-year-says-chanchal-agarwal-of-equirus-credence-family-13028200.html>

Economy

India Remains Fastest-Growing Economy

India is poised to remain the fastest-growing large economy in the world, even as global economic conditions grow increasingly fragile. Mid-year update of the World Economic Situation and Prospects (WESP) forecasts India's GDP to grow by 6.3% in 2025 — down from its earlier estimate of 6.6% made. Despite the downward revision, India continues to outpace its global counterparts, driven by robust private consumption and public investment. India remains one of the fastest-growing large economies, while presenting the updated economic outlook. The report predicts a slightly stronger growth of 6.4% in 2026, though this too is a downgrade from earlier projections. While India maintains economic momentum, the global outlook remains uncertain. "The world economy is at a precarious moment," the UN report warned, pointing to rising trade tensions and policy uncertainty that have significantly dampened expectations for 2025. Shantanu Mukherjee, Director of the Economic Analysis and Policy Division, added that the global growth scenario has weakened since January, when the outlook was for two years of steady, albeit modest, expansion.

<https://www.news18.com/business/economy/india-remains-fastest-growing-economy-amid-global-uncertainty-un-9339076.html>

Finance

RBI board meets to review capital framework

The board of the Reserve Bank of India met on Thursday to review its Economic Capital Framework, which determines the risk buffer it maintains and impacts the amount of surplus it transfers to the government, the central bank said in a statement. According to the previous framework, which was due for a review this year, the RBI was required to maintain a risk buffer of between 5.5%-6.5% of its balance sheet. According to the previous framework, RBI had to maintain a risk buffer of 5.5%-6.5% of its balance sheet. The RBI statement did not say whether the review meant a change in the framework. Economists are expecting the central bank to transfer a record surplus to the government this year. The surplus is expected to be between 2.6 trillion rupees and 3 trillion rupees (\$30.4 billion to \$35.1 billion), IDFC First Bank economists said in a report earlier this month. Last year, the RBI transferred 2.1 trillion rupees in surplus. (\$1 = 85.5010 Indian rupees)

<https://www.financialexpress.com/policy/economy-indias-april-trade-deficit-widens-to-over-26-billion-3846253/>

Digitalization

India Digital Payment Gateway Market 2025

India Digital Payment Gateway Market Size, Share, Trends and Forecast by Type, Organization Size, Application, and Region, 2025-2033," offers a comprehensive analysis of the India digital payment gateway market growth. The report also includes competitor and regional analysis, along with a breakdown of segments within the industry. The India digital payment gateway market size reached USD 3.80 Billion. Looking forward, IMARC Group expects the market to reach USD 20.07 Billion by 2033, exhibiting a growth rate (CAGR) of 20.29% during 2025-2033. India digital payment gateway industry is witnessing rapid growth owing to growing smartphone penetration, improving internet connectivity, robust government policies such as Digital India, heightened adoption of e-commerce, supportive regulatory policies, growing Unified Payments Interface (UPI) transactions, and broader fintech innovations. India's digital payment gateway industry is witnessing UPI transactions' exponential growth due to the adoption of smartphones, enhancement in internet penetration, and the active role by the government through its financial inclusion campaigns.

<https://www.openpr.com/news/4019364/india-digital-payment-gateway-market-2025-worth-usd-20-07>

Investment

India's Outward FDI Soars to \$6.8 Billion in April 2025

India's outward foreign direct investment (FDI) commitments surged to \$6.8 billion, nearly double the amount recorded in April 2024, reflecting strong investor confidence in global expansion by Indian enterprises. This sharp increase, as per data released by the Reserve Bank of India (RBI), comes at a time when Indian companies are aggressively pursuing global opportunities through investments, loans, and guarantees to their overseas subsidiaries and joint ventures. The Reserve Bank of India released updated data showing that India's outward FDI nearly doubled, reaching a record \$6.8 billion, up from \$3.58 billion. This news is significant as it indicates growing global ambitions of Indian firms despite global economic uncertainties. Indian firms sharply ramped up their overseas investment activity, with total outward FDI commitments reaching \$6.8 billion, as per RBI data. This marks a near two-fold jump from the same month last year, showing a clear push by Indian companies to enhance their presence.

<https://currentaffairs.adda247.com/indias-outward-fdi-soars-to-6-8-billion-in-april-2025-rbi/>

Currency	Rate(Rs)	Change		Index	Change
USDINR	85.4392	-0.0883	NIFTY50	24,996.00	-66.1
EURINR	95.97	-0.138	BSE Sensex	82,288.75	-242.22
GBPINR	113.7365	0.1465			
JPYINR	0.5879	0.0026			